

<b>GOV #:</b>	GOV067-15
<b>Date:</b>	August 25, 2015
<b>To:</b>	Government Securities Division Members
<b>Category:</b>	Service Update
<b>Subject:</b>	Special Announcement Regarding Today's 2-year Treasury Auction

**TODAY'S 2-YEAR NOTE AUCTION RESULTED IN AN UNSCHEDULED REOPENING OF THE 5-YEAR NOTES OF SERIES AC- 2017 (CUSIP NO. 912828TM2)**

Today, the Government Securities Division (“GSD”) was informed that the Treasury Department has announced that the 2-year notes auction resulted with a high yield of 0.663%. As a result, the 2-year notes will be an additional issue of the 0-5/8% 5-year notes with a maturity date of August 31, 2017 rather than new 2-year notes. Thus, CUSIP 912828K90 effectively no longer exists. In order to ensure the integrity of its netting process, GSD will administratively convert all outstanding trades arising from when-issued trading in CUSIP 912828K90 to CUSIP 912828TM2<sup>1</sup>.

At close of business day today, GSD will disable CUSIP 912828K90 and update its security masterfile to reflect CUSIP 912828TM2 as a reissued security with the appropriate reissue date. The end of day process will also modify all open trades, compared and uncomparing, in the DVP application and replace CUSIP 912828K90 with CUSIP 912828TM2. All other details of the trade will remain the same, inclusive of a member's submitted Xref number and the GSD system generated Transaction ID (TID) number.

Members will receive the following output:

For an **uncomparing** trade:

- Cancel Processed – MT509
- Screen Input Trade Replay – MT518 reflecting the new CUSIP
- End of Day MRO Record – 03 (cancel) and 07 (instruct)

For an **advisory**:

- Comparison Request Modify – MT518

For a **comparing** trade both sides will receive:

- Cancel Processed – MT 509

<sup>1</sup> [http://treasurydirect.gov/instit/annceresult/press/preanre/2015/BPD\\_SPL\\_20150825\\_1.pdf](http://treasurydirect.gov/instit/annceresult/press/preanre/2015/BPD_SPL_20150825_1.pdf)

- Trade Input Accepted – MT509
- Trade Compared – MT509
- Post Comparison Trade Modification – MT518 reflecting the new CUSIP
- End of Day MRO Record – 03 (cancel) , 07 (instruct) ,01 (match)

Because this type of reopening does not occur often, GSD is informing its members of this special processing in order to make members aware of the steps GSD will perform.

If you have any questions regarding this Important Notice, please contact your Relationship Manager.